VZCZCXRO8789 OO RUEHPT DE RUEHBY #0865/01 2610835 ZNY CCCCC ZZH O 180835Z SEP 09 FM AMEMBASSY CANBERRA TO RUEHC/SECSTATE WASHDC IMMEDIATE 2060 INFO RUEHBJ/AMEMBASSY BEIJING 9604 RUEHJA/AMEMBASSY JAKARTA 5531 RUEHOT/AMEMBASSY OTTAWA 2394 RUEHUL/AMEMBASSY SEOUL 9918 RUEHKO/AMEMBASSY TOKYO 3694 RUEHWL/AMEMBASSY WELLINGTON 0126 RUEHBN/AMCONSUL MELBOURNE 6678 RUEHPT/AMCONSUL PERTH 4943 RUEHDN/AMCONSUL SYDNEY 4932 RHEHAAA/THE WHITE HOUSE WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 CANBERRA 000865

NOFORN SIPDIS

STATE FOR S/SECC STERN, PERSHING, OES/EGC DEROSA-JOYNT, WHITE HOUSE FOR CEQ

E.O. 12958: DECL: 09/19/2019
TAGS: SENV ECON EFIN KPAO AS

SUBJECT: AUSTRALIAN VIEWS ON G20 CLIMATE CHANGE FINANCING

REF: A. CANBERRA 657 ¶B. CANBERRA 603

Classified By: Political/Economic Counselor Edgard Kagan, Reasons 1.4(b)(d)

11. (C/NF) Summary: Australian climate officials still see the G20 as the most effective venue for a discussion of international climate change financing arrangements, but expressed concern there was still no global consensus of the role of the G20 beyond the Pittsburgh leaders' meeting. Australia will seek to clarify commitment levels by developed countries to climate financing and whether the U.S. is seriously considering an acceptable level of climate change financing. China's stance of keeping climate financing out of the G20 is seen here as a doctrinaire public position that may mask some willingness toward compromise. End Summary.

Laser Focus on the G20

¶2. (C/NF) Econoff met on September 16 with Harinder Sidhu, Chief Adviser for International Issues in the Strategic Policy and Partnerships Branch, and Chris Faris, Director for Pacific and Adaptation Negotiations in the International Division at the Department of Climate Change. Sidhu told econoff she was scheduled to attend a six-hour briefing for PM Rudd on September 18 on the G20 meetings and that Australia was still working out its details of its position. Sidhu noted the PM's "laser focus" on the G20 and said that Australia was "not ready to give up on the G20 yet" as the best forum for handling climate change financing discussions.

No Better Venue

¶3. (C/NF) According to Sidhu, there are still concerns about how the G20 will evolve after Pittsburgh. The GOA believes the G20 is the "right people, with the right skills" to generate positive momentum towards an agreement on climate change financing. She said such a deal would be unlikely in the UNFCCC negotiations at Copenhagen, but that the G20 could contribute by developing a better sense of the range of proposals on the table and draw out positions among key developed and developing economies. The GOA will seek to develop a better understanding of the level of financial support for developing economies that G20 partners are

willing to undertake, but Sidhu did not suggest or share details on any proposal Australia plan to put forward on its own.

14. (C/NF) Faris noted that Chinese and Indian resistance to discussing climate change financing at Pittsburgh was a conservative public position, and did not match the somewhat more receptive tone the GOA heard in bilateral or small-group discussions on this issue. Sidhu said it was a good sign that PRC climate negotiator Xie Zhenhua will have a seat at Pittsburgh. The G20 was an opportunity, Sidhu noted, to bring in treasury and financial experts that can really discuss tough financing questions.

Treasurer Swan Still a Question

- 15. (SBU) Sidhu said Department of Climate Change Secretary Martin Parkinson, formerly of the Treasury, will accompany Rudd to his meetings in both New York and Pittsburgh. Sidhu said it was not yet clear whether Treasurer Wayne Swan would attend the G20 meetings. Climate Change Minister Wong, who Qattend the G20 meetings. Climate Change Minister Wong, who is attending the MEF this week accompanied by Climate Ambassador Louise Hand and Deputy Secretary Howard Bamsey, will also join Rudd in Pittsburgh.
- 16. (C/NF) Comment: The Department of Climate Change has fallen in line with PM Rudd's persistent effort to promote the G20 as the best forum to address global economic and financial issues, including climate change assistance. Australia is still working out its specific goals for the G20

CANBERRA 00000865 002 OF 002

on climate financing, but appears to be prepared to work with us to refine in the G20 context the range of possible options for addressing the key issues around climate change. There is more optimism about China in private than may be warranted by China's recent concerns over addressing financing in the G20. End Comment.

CLUNE